

CITY OF MILPITAS

Minutes of: CITY COUNCIL (FINANCE) SUBCOMMITTEE
Date/Time: Wednesday, April 5, 2006 – 4:00 p.m.

I. CALL TO ORDER - Vice Mayor Gomez called the meeting to order at 4:05 pm

Attendance:

City Council: Vice-Mayor Armando Gomez, Council Member Debbie Giordano
Staff: Emma Karlen, Clare Frank, Patti Joki, Carmen Valdez, Tom Williams,
Mehdi Khaila, Greg Armendariz, Bill Marion, Keyvan Irannejad

II. CITIZENS FORUM - No Comments

III. APPROVAL of MINUTES: The February 1, 2006 minutes were reviewed and approved.

IV. ITEMS FOR DISCUSSION

A. Fire Department Inspection Division Staffing

Clare Frank, Fire Chief – The third-party contracted service was hired to complete inspections required by the end of this calendar year. The remaining portion of the contract is for the contractors to follow-up compliance issues related to inspections at any places that had violations.

B. Vacant Position Review

Carmen Valdez, Acting H.R. Director – Questions arise as to how long open positions should remain vacant, how the positions relate to the reorganization efforts and if they are in fact needed. The majority of the vacant positions are un-funded, and a few are under recruitment. A possibility would be to un-authorize unnecessary positions and at a later time the departments could request the position again when needed.

- **Carmen – Review the vacant positions, suggest which should remain open or not and recommend a solution.**

C. Utility Customer Deposit

Emma Karlen, Director of Financial Services – In the past there was an accumulation of delinquent utility accounts that the City was not able to collect from customers on the final bill when closing of the account. Through recommendation to the Council, a \$150 deposit was implemented to help offset the charges of the last bill. We have received inquiries if the \$150 deposit could be refunded after a length of time, or if the deposit could accumulate interest. Emma mentioned that to calculate interest on the deposit is not feasible; however, refunding the deposit is a possibility. A determining factor to refunding the \$150 deposit could be a good payment history on the account.

- **Emma – Review the utility ordinance and the deposit policy to determine when the deposit is necessary and recommend any changes. Also check with other agencies (PGE and the telephone company) to see how they handle deposits.**

D. Road Map to Service Improvements – Phase I Briefing

Tom William, Planning & Neighborhood Services Director – The objective is to improve the development and review process, cut down on time and remove confusion. The process is complex; however, we have tried to make it as simple as possible for the applicant to understand.

Coordination among all departments is necessary to formalize the review process. This will involve the implementation of an internal Development Review Committee (DRC) that will schedule meetings to review projects involving various departments. During these meetings, issues can be addressed immediately to improve efficiency. The DRC will set timelines to ensure we comply with the Permit Streamlining Act. The Permit Streamlining Act, part of the California State Government Planning & Zoning Laws, requires us to respond to the applicant within 30 days with an approval or to identify the deficiencies with any conditions and recommendations. The project planner would be the main contact person who will advise the applicant of the status.

This is Phase I of the permit development and review process. Each department – Planning, Building, Fire and Engineering – individually briefed Council on their progress and presented a notebook to Council with their department handouts, checklists, submittal requirements, ways to meet turnaround goals and improved processing. These notebooks will be available for the public's use at the counter.

Planning Improvements: Developed 16 new handouts. Flow charts were created that will assist the applicant in the various steps of the review process. Improved turnaround time, customer service and counter hours were also increased.

Keyvan Irannejad – Building Improvements: Developed 75 new handouts, extended over-the counter time and improved plan-review turnaround time. Inspection request time was extended, website information was improved, plan check by appointment was implemented and a project manager coordinator was established. The inspectors are now available by their cell phone and they can provide informational handouts when doing site inspections. The Building Division visited other cities to gather information to help improve our services.

Mehdi Khaila – Engineering Improvements: Prepared submittal requirements related to subdivision maps and constructions plans that deal with public improvement such as water/sewer/storm drains. A new brochure was put together with general information and a project submittal flow chart. Checklists were developed to help plan checkers complete their plans review with consistency and to improve turnaround time. Various documents are given to developers and contractors to enable them in preparing their construction plans to meet City requirements. Website information was also updated.

Patti Joki – Fire Improvements: Developed 78 total handouts. 56 handouts are for countywide consistent guidelines so that our City has the same Hazmat requirements along with other cities in Santa Clara County. Fire is working on standardizing regulations involving building construction fire issues. Process flow charts were developed, information on fees, after-hours inspection availability, “fast track” and other services. The goal is to improve turn around time with better over the counter service. Fire is asking for feedback from customers on the services the City provides.

Tom Williams – Will prepare future information on the development of this program and is setting four- and six-month goals. Our top priority is to serve the customer with consistency. We want to develop good teamwork and a good attitude so that the customer wants to return to work with us.

E. Development System Update

Bill Marion, Director of Information Services – Presented an overview of the proposed computer Development System and the benefits to the City and to the public. Initially we looked at requirements of all departments involved. The overall goals of the new system are to support the process improvement effort, to better track applications and permits, provide on-line capabilities and provide better accountability (fees, hours worked...).

He took a 5-year cost of \$500,000, which factored in maintenance and all other possible expenses. A big concern was how to fund the new system since the major portion of the new system would need to be paid for in the first year. A plan was developed whereby the money could be advanced with repayment through the collection of fees. During this five-year period, it is estimated we would collect just under \$16 million in fees. This is 100% cost recovery with no general fund impact.

Simple permits could be taken out on-line, developers could see plan check comments, schedule inspections and see inspection results. Internally staff could access comments and status from all department involved. This would allow for greater efficiency and productivity from all departments. There would be better accounting capabilities such as if a deposit were expended, we would ask for additional funds before proceeding with the project. This would also prevent the issuance of permits until all fees are paid.

There is a \$700,000 capital contingency reserve, which was established in FY2001 that may be used towards this project. It would be good to work the project into the next FY2006-07 budget. Comparably, our fees are lower than other cities.

- **Emma – Develop a budget replacement policy for various funds, to include computer technology. Instead of depreciating individual items, we need to set up seed money to replenish the fund as it is drawn down.**
- **Bill – Work with all departments to finalize the new Development System to present to Council.**

V. OTHER BUSINESS

None

VI. NEXT MEETING – Wednesday, May 3, 2006 at 4:00 pm

VII. ADJOURNMENT